



SPACE BUSINESS INCENTIVES ACT LEGISLATIVE TALKING POINTS

Space Florida Requests the Florida Legislature Pass HB873 and SB1224

This bill will attract space-related business, promote job creation, aid in stimulating economic development, and retain Shuttle workers who may be laid off

BACKGROUND

- Sponsored by **Senator Altman & Representative Crisafulli**
- 97% of space-related market opportunity is outside of Florida, it is ours to capture
- Currently, space businesses design, engineer, test, or manufacturing space-related products in other states and then ship them into Florida, because it historically has been more cost effective.
 - **The lack of space-related incentives in Florida, that exist in other states, is a barrier to attracting space-related businesses**
- This legislation is a catalyst to this industry to entice space-related companies to locate in Florida
- These incentives will reach across Florida and include space-related business that locates in Florida and meets specific job creation and financial investment requirements

THE INCENTIVES

- Fully Transferable Net Operating Loss Tax Credit
 - Businesses may sell its net operating losses— those that have not otherwise been deducted from income for Florida tax purposes—to a Florida company for cash infusion into their business. The purchasing company can use that “purchase” as a tax credit.
 - Cap of \$25 million annually and \$2.5 million per company
- Non-transferable Corporate Income Tax Credit
 - Corporate tax credit of up to 50-percent for a commercial space-related business
 - Cap of \$10 million annually and \$1 million per company

REQUIREMENTS

- To qualify for the following incentives, and in order to claim the credit, companies must do the following within three years of the program commencing on July 1, 2011:
 - Create or maintain a minimum of 35 jobs
 - Invest a minimum of \$15 million in infrastructure development

RECOMMENDATION

- Space Florida asks that the Florida Legislature pass HB873 & SB1224 into law

Space Florida